If Baltimore County were required to remove its exemption from this kind of property, many millions of dollars to that county alone would be involved.

By the same token, if we required Baltimore City to come up to Baltimore County and impose a tax on inventory a dislocation of the economy of the manufacturers who are located there would undoubtedly occur.

As a matter of fact, this was attempted some years ago and in a prior administration, and it was met with such great hullaballoo that the then Mayor was required or forced, really, to abandon his proposals.

So these cases where the practices have had to take over in a sense and we have not been able to require that all exemptions shall be uniform, we have said that exemptions as far as any tax the State shall impose shall be uniform.

This then is an explanation of the report, Mr. Chairman.

THE CHAIRMAN: Are there any questions of the Vice-Chairman for clarification?

Delegate Rybczynski.

DELEGATE RYBCZYNSKI: Under section 8.02-2, would you please be so kind as to use the old age exemption in Baltimore City as an example?

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: The old age exemption is not an exemption, Delegate Rybczynski. It is a credit. It is not an exemption from tax, it is a credit against the tax. This does not apply to tax credits.

THE CHAIRMAN: Delegate Rybczynski.

DELEGATE RYBCZYNSKI: Would it be fair then to say that it does not affect the assessment, it merely goes to the tax itself?

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: I would not say that that might not be the case. I said earlier why I was not going to detail the method by which equalization could take place. I think what you are referring to is how the old age exemption or credit which it really is, would affect section 8.02-1.

It could indeed be taken into consideration by a board of equalization and reviewed under appropriate statutes passed by the General Assembly.

THE CHAIRMAN: Delegate Macdonald.

DELEGATE MACDONALD: Delegate Case, referring your attention to section 8.02-2, is there any provision in the present Constitution relating to exemptions insofar as local taxes are concerned?

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: Delegate Macdonald, you mean section 8.02-1?

THE CHAIRMAN: Delegate Macdonald.

DELEGATE MACDONALD: No, -2. Exemptions. Your last section.

I understood you to say this applies simply to taxes imposed by the State.

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: That is correct.

THE CHAIRMAN: Delegate Macdonald.

DELEGATE MACDONALD: Are there any standards in the present Constitution, similar standards relating to local taxes?

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: No, there are none.

THE CHAIRMAN: Delegate Macdonald?

DELEGATE MACDONALD: There are none.

Well, going back to the matter of assessments, do you agree with the decision of the Court of Appeals in the Alsop case?

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: Had I been counsel for the other side, I am not so sure I would agree with it, but I can see how the Court of Appeals reached the result it did and having reached that result, the problem now is what to do about it.

THE CHAIRMAN: Delegate Macdonald.

DELEGATE MACDONALD: In view of that decision, how are we going to restrict the tax break which will result from your recommended provision to bona fide farmers?

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: By the language which is in line 8 of the section, as prescribed by law. What that means, Delegate Macdonald, is this, that the General Assembly shall provide for a use exemption.

That is to say, it shall make the classification, but how that classification is de-